



# City of Palo Alto

## City Council Staff Report

(ID # 5850)

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**Report Type: Consent Calendar**

**Meeting Date: 6/29/2015**

**Summary Title: AECOM Contract Amendment**

**Title: Approval of Contract Amendment No. 2 to S15155476 with AECOM for Consulting Services in the Amount of \$133,000 for Technical Services and Studies to Develop Zoning Regulations to Address Hazardous Materials Limitations and Compliance in Industrial Areas.**

**From: City Manager**

**Lead Department: Planning and Community Environment**

### **Recommendation**

Staff recommends that Council authorize the City Manager or his designee to approve the amendment of contract #S15155476 with AECOM Technical Services, Inc. to add \$133,000 and extend the term of the contract to June 30, 2017. The proposed changes are necessary to continue work on zoning and planning issues related to businesses like Communications & Power Industries, LLC (CPI) that use hazardous materials in proximity to sensitive receptors. When added to the existing Second AECOM Contract, the amendment brings the contract to an amount not to exceed (\$215,600)

### **Background**

AECOM Technical Services, Inc. (AECOM) has completed a technical risk assessment of hazardous material operations and accidental release scenarios at the Communications & Power Industries, LLC (CPI) facility located at 811 Hansen Way. This report was completed in January 2014 and supplemented with an additional scenario requested by Barron Park residents in October 2014. At that time, the City Council directed staff to prepare draft zoning regulations and update information related to potential amortization of non-conforming uses, with the expectation that a draft ordinance could be prepared for review by the Planning and Transportation Commission (PTC) and City Council in early 2015.

The City had entered into a second Contract with AECOM in July 2014 for \$42,600 for their assistance in incorporating appropriate information based on the technical risk assessment of hazardous materials operations and accidental release scenarios into zoning and regulatory strategies that could reduce potential human health risks from adjoining businesses to sensitive receptors (residential areas, schools, homes for the elderly, etc.). In April 2015, this contract

was amended to add \$40,000 for a total not to exceed \$82,600. The April 2015 amendment was necessary to accomplish a peer review of a CPI-provided seismic structural engineering study, to advise planning staff on ways to incorporate risk assessment findings into a useable zoning/regulatory approach, and to prepare for and participate in public meetings as requested by City staff.

The attached scope of work would be the second amendment of the July 2014 contract, and reflects the evolution of the original tasks and summarizes the range of activities associated with reviewing and providing guidance on the amortization studies. As the work has progressed, AECOM's services related to the incorporation of the risk assessment findings into a useable zoning/regulatory approach have expanded and additional resources are needed to allow for a review of existing amortization studies and provide updates as needed. Based on the initial review of the amortization studies additional work may be requested. The amended scope also provides for participation in public presentations and optional additional work that might arise during preparation of the zoning ordinance. The cost for this amendment to AECOM's Second Contract is \$133,000, bringing the total contracted cost for the Second Contract with AECOM #15155476 to \$215,600.

This proposed contract amendment includes an extension in time to the second Contract from December 30, 2015 to December 30, 2017 in the unlikely event that additional time is needed to complete some of the tasks related to the amortization studies. Staff's current schedule proposes to bring forward a draft zoning ordinance for public review in the fall of this year.

### **Resource Impact**

The funds to support this amendment to the existing AECOM contract are available within the Planning and Community Environment Department's Fiscal Year 2015 Adopted Operating Budget. No additional funding is needed.

### **Attachments:**

- Attachment A: Contract Amendment 2 to AECOM Contract S15155476 (PDF)

**AMENDMENT NO. 2 TO CONTRACT NO. S15155476  
BETWEEN THE CITY OF PALO ALTO AND  
AECOM TECHNICAL SERVICES, INC.**

This Amendment No. 2 to Contract No. S15155476 ("Contract") is entered into June 29, 2015, by and between the CITY OF PALO ALTO, a California chartered municipal corporation ("CITY"), and AECOM TECHNICAL SERVICES, INC., a California corporation, located at 4840 Cox Road, Glen Allen, VA, 23063, Telephone (916) 361-6400 ("CONSULTANT").

**RECITALS**

A. The Contract was entered into between the parties for the provision of incorporation of appropriate information from the technical risk assessment of hazardous materials operations and accidental release scenarios into possible zoning and regulatory strategies that could reduce potential health risks to residential areas that adjoin the Communications and Power Industries, Inc. (CPI) facility in Palo Alto, California property.

B. CITY intends to increase compensation by \$133,000.00 from \$82,600.00 to \$215,600.00 for additional services as specified in EXHIBIT "A", Scope of Services.

C. The parties wish to amend the Contract.

NOW, THEREFORE, in consideration of the covenants, terms, conditions, and provisions of this Amendment, the parties agree:

SECTION 1. Section 4 is hereby amended to read as follows:

**"SECTION 4. NOT TO EXCEED COMPENSATION.** The compensation to be paid to CONSULTANT for performance of the Services described in Exhibit "A", including both payment for professional services and reimbursable expenses, shall not exceed One Hundred Seventy Two Thousand Eight Hundred Forty Dollars (\$172,840.00). In the event Additional Services are authorized, the total compensation for Services, Additional Services and reimbursable expenses shall not exceed Two Hundred Fifteen Thousand Six Hundred Dollars (\$215,600.00). The applicable rates and schedule of payment are set out in Exhibit "C-1", entitled "HOURLY RATE SCHEDULE," which is attached to and made a part of this Agreement.

Additional Services, if any, shall be authorized in accordance with and subject to the provisions of Exhibit "C". CONSULTANT shall not receive any compensation for Additional Services performed without the prior written authorization of CITY. Additional Services shall mean any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described in Exhibit "A".

SECTION 2. The following exhibit(s) to the Contract is/are hereby amended to read as set forth in the attachment(s) to this Amendment, which are incorporated in full by this reference:

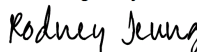
- a. Exhibit "A" entitled "SCOPE OF SERVICES".
- b. Exhibit "B" entitled "SCHEDULE OF PERFORMANCE".
- c. Exhibit "C" entitled "COMPENSATION".
- d. Exhibit "C1" entitled "HOURLY RATE SCHEDULE".

SECTION 3. Except as herein modified, all other provisions of the Contract, including any exhibits and subsequent amendments thereto, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have by their duly authorized representatives *executed this Amendment on the date first above written.*

CITY OF PALO ALTO

AECOM TECHNICAL SERVICES, INC.

DocuSigned by:  
  
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Principal/Project Director

APPROVED AS TO FORM:

Attachments:

EXHIBIT "A":	SCOPE OF SERVICES
EXHIBIT "B":	SCHEDULE OF PERFORMANCE
EXHIBIT "C":	COMPENSATION
EXHIBIT "C1":	HOURLY RATE SCHEDULE

## **EXHIBIT “A” SCOPE OF SERVICES**

### **Background**

CONSULTANT has completed a technical risk assessment of hazardous materials operations and accidental release scenarios at Communications and Power Industries, Inc. (CPI) facility in Palo Alto, California. This assessment focused on the plating operations in Building 2. This work was performed under Contract No. S13148916.

CITY seeks to incorporate appropriate information from the Risk Assessment into possible zoning and regulatory strategies that could reduce potential health risks to residential areas that adjoin the CPI property. CITY has already performed an initial review of regulatory approaches adopted by other jurisdictions with similar circumstances. CONSULTANT shall assist CITY in developing a recommended approach and participating with CITY staff at public meetings to inform local decision makers and the public about the approach and alternatives.

The completed Risk Assessment considers potential impacts of an accidental release of hazardous materials from CPI facilities, under various “extreme event” scenarios. At the neighbors’ request, work under Contract No. S13148916 was expanded to include an analysis of a potential release of hazardous materials after a major earthquake, with the assumption that such an earthquake could substantially compromise the structural integrity of Building 2. CPI is preparing a structural review of this building and its performance in the event of a major earthquake, and CITY has requested that CONSULTANT conduct a peer review of this structural study. The structural evaluation and peer review will inform discussions regarding the assumptions about building damage included in the evaluation of an earthquake scenario and the release scenario associated with this event.

Specific tasks to undertake the above activities follow. The tasks related to developing and presenting the regulatory approach shall be shared with CITY staff and the level of effort will be collaborative and evolve as the work progresses, a precise level of effort and completion date cannot be estimated. Accordingly, this contract shall include an Additional Services fund, use of which will occur only with prior approval by CITY.

### **Work Tasks**

#### **Task 1: Peer Review of CPI Provided Seismic Structural Engineering Study**

CONSULTANT shall provide high-level peer review of a CPI-prepared seismic structural engineering report of Building 2 which includes the plating shop. The work will be performed by a professional structural engineer licensed in the State of California. The intent of the review shall be to comment on the adequacy of the CPI evaluation based on accepted industry practices and applicable regulations. The CPI study and the peer review are intended to inform discussions regarding the assumptions about building damage included in the evaluation of an earthquake and the release scenario that resulted from that event. The review will identify faulty assumptions, or inappropriate methods or data that could significantly influence the conclusions of CPI’s study. CONSULTANT’s review will not include new analyses of the structural integrity of Building 2. Should alternative assumptions, methods, or data be identified by CONSULTANT that CPI should have incorporated into its study, CONSULTANT will only indicate those assumptions, methods, or data and the reasons why they should have been included in CPI’s report. The application of the suggested assumptions, methods, or data would be the responsibility of CPI and its structural

engineer. A letter report shall be provided describing CONSULTANT's review approach, methods, and key findings. It is assumed that the draft report will be prepared for CITY review and comment, and that a final report will then be prepared to address CITY comments and suggestions. A one-hour conference call has been allotted to receive and discuss CITY comments on the draft memo.

### **Task 2: Consultation on Incorporating Risk Assessment Findings into City-Recommended Zoning / Regulatory Approach**

CONSULTANT shall work with CITY as needed to assist in developing regulations that effectively apply the findings of the Risk Assessment and/or other standards that implement effective protections from hazardous materials impacts when incompatible land uses adjoin. CONSULTANT's level of support for this task will be a function of CITY's expectations, availability, and resources, and is assumed to become better defined once the contract for this scope of services is executed. Accordingly, the specific activities and costs will be subject to ongoing discussions between CITY and CONSULTANT. For purposes of this contract, an estimate of 40 hours has been assumed, but can be expanded through CITY's authorized use of the Additional Services funds (described below) or reduced based on CITY's level of involvement. No travel or direct face-to-face meetings have been assumed for this task, since co-ordination with CITY on this task can readily be achieved via email and conference calls.

### **Task 3: Participation in Public Review and Meetings**

CONSULTANT shall participate in the public review of the application of the Risk Assessment to proposed zoning / regulatory changes at meetings before CITY Council, Planning and Transportation Commission, and possibly residents of the Barron Park Neighborhood. CONSULTANT's primary role will be to serve as a technical resource, providing information on the methodology, assumptions, and findings of the Risk Assessment and on the nexus and rationale for the regulatory recommendations and the Risk Assessment. This participation is assumed to include assistance in developing and reviewing presentation materials, presenting appropriate portions of staff reports, and responding to questions either at the meeting or subsequently. For purposes of this contract, an estimate of up to seven meetings involving CONSULTANT Project Manager and up to three meetings including CONSULTANT's principal author of the Risk Assessment, with each meeting averaging 8 hours, including preparation time, attendance, and follow-up, has been assumed, but can be expanded through CITY's authorized use of the Additional Services funds (described below) or reduced based on CITY's needs.

### **Additional Services Fund**

Given the dynamic and collaborative nature of this scope of services, a precise set of activities and level of effort cannot be readily defined. Only Task 1 is a discrete, independent effort that can be estimated with confidence. Accordingly, to provide CITY with the flexibility it needs to solicit assistance from the CONSULTANT as needed, Additional Services funds are established and their use will require prior authorization by CITY. These funds shall enable CITY to expand the CONSULTANT's role and responsibilities as necessary, subject to the not-to-exceed contract value.

## **AMENDMENT NO. 1, ADDITIONAL SCOPE OF SERVICES**

### **Background**

CONSULTANT was retained by the City to perform technical services (under Contract No. S15155476) related to: (1) peer review of a seismic evaluation completed by CPI consultants; (2) assisting staff with a regulatory approach for possible land use incompatibilities stemming from the use of hazardous materials at CPI and other similar uses; and (3) attending public meetings to discuss the first two items. It was acknowledged in the original scope of services that a precise level of effort could not be estimated for the latter two items because those efforts were shared with City staff and depended on the direction from the Planning and Transportation Commission and the City Council.

As the work has progressed, the services associated with the latter two tasks have expanded. This amended scope reflects the evolution of the original tasks and the additional services included in this contract amendment.

### **Work Tasks**

#### **Task 1: Peer Review of CPI Provided Seismic Structural Engineering Study**

This task was completed and no new work is expected.

#### **Task 2: Consultation on Incorporating Risk Assessment Findings into City-Recommended Zoning / Regulatory Approach**

In this task, CONSULTANT and the City have been working on methodologies to best identify a screening tool to identify facilities using hazardous materials in the City's industrial zones that could pose a hazard to proximate identified sensitive receptors. For several months, the CONSULTANT and the City have been discussing the merits of different methodologies and exchanging draft memos describing the different screening approaches and outcomes. Additional time and effort are required to refine the methodologies. In particular, additional research is needed by CONSULTANT's toxicologist/health risk assessor and other technical specialists to review and update the draft materials developed to date.

In addition, with the contract amendment, Task 2 will continue to be in effect to enable CONSULTANT to provide ongoing support to City staff in drafting zoning language based on CONSULTANT's prior risk assessment analysis of the CPI facilities and the draft screening approach. It is anticipated that this ongoing support will consist of:

- Involving appropriate technical staff to assist in refining the screening tool and methodology,
- Drafting zoning text as requested by City staff,

- Reviewing and commenting on zoning provisions developed by staff, and
- Participating in ongoing communications and discussions with staff regarding technical findings and zoning.

Similar to the original scope for Task 2, an assumed level of effort (number of hours) is made to perform requested services for this task, which will evolve as the zoning ordinance revisions get underway. For purposes of this amended scope of work, an estimate of 120 hours has been included and is reflected in Exhibit “C,” Compensation. This scope of services and cost estimate does not include additional work that will be needed should any property be subject to amortization as a result of this work.

### **Task 3: Participation in Public Review and Meetings**

Due to unforeseen circumstances under the original scope of services, CONSULTANT did not complete the number of meetings identified in the original scope of services. Budget allocated for those meetings was used partially to respond to Council requests. Task 3 will continue to remain in effect and its purpose remains unchanged from the original scope of work; namely, to participate at public meetings to answer questions about alternative approaches and their implications for amortization as well as questions for the proposed zoning/regulatory changes. These meetings could include those with the neighbors, the Planning and Transportation Commission, or the City Council.

For purposes of this contract amendment and the cost estimate, six additional meetings are included in this task. The same assumptions regarding level of effort as before apply (i.e., an average of 8 hours per meeting, for preparation, attendance, and summaries; additional assignments to rework the screening approach or revise zoning regulations are not included in these hours). Only the CONSULTANT Project Manager is scheduled to participate at these public meetings.

## **AMENDMENT NO. 2, ADDITIONAL SCOPE OF SERVICES**

### **Background**

CONSULTANT was retained by CITY to perform technical services (under Contract No. S15155476) related to: (1) peer review of a seismic evaluation completed by CPI consultants; (2) assisting staff with a regulatory approach for possible land use incompatibilities stemming from the use of hazardous materials at CPI and other similar uses; and (3) attending public meetings to discuss the first two items. It was acknowledged in the original scope of services that a precise level of effort could not be estimated for the latter two items because those efforts were shared with City staff and depended on the direction from the Planning and Transportation Commission and the City Council.

As the work progressed, the services associated with the latter two tasks have expanded, and a new effort to review the previous amortization studies prepared for the CPI facilities and to advise CITY on their validity, has been requested. This amended scope reflects the evolution of the original tasks and presents an approach and activities related to the new effort.



## **Work Tasks**

### **Task 1: Peer Review of CPI Provided Seismic Structural Engineering Study**

This task was completed and no new work is expected.

### **Task 2: Consultation on Incorporating Risk Assessment Findings into City-Recommended Zoning / Regulatory Approach**

This task was updated by Contract Amendment No. 1, entered into on April 6, 2015, and the scope and level of effort for Task 2 are defined by that amendment.

### **Task 3: Participation in Public Review and Meetings**

This task was updated by Contract Amendment No. 1, entered into on April 6, 2015, and the scope and level of effort for Task 3 are defined by that amendment.

### **Task 4: Review of Prior Amortization Studies**

CONSULTANT will compare the two prior amortization studies for CPI facilities, render an opinion regarding the validity of each, and advise CITY regarding possible next steps. The steps to performing this task are described below.

**Review Prior CPI Studies and Background Information** (by CONSULTANT economist/facility assessment team). CONSULTANT professional staff in market valuations, appraisals, building conditions assessment, and life cycle costing will obtain relevant background materials from CPI, as well as information gathered in prior site visits by CONSULTANT health and safety staff. These materials include at a minimum:

- 2011 CBRE report that concluded a 15-year amortization period for the plating shop from the time that major upgrades were made in 2006;
- Subsequent study prepared for CPI that countered that the facilities are integrally related, that the plating shop (within Building 2) alone could not be amortized, and that a reasonable time for CPI to recoup its investment would require a 40-year amortization period;
- Information regarding CPI facilities, operations, process flows, improvement plans, and equipment;
- Updated financial information from CPI to understand its capital costs, depreciation, and remaining useful life and value estimates for building and/or fixtures and equipment
- Lease agreements with Stanford Real Estate.

Should some data be unavailable, CONSULTANT will discuss with CPI and CITY staff “surrogate” or proxy materials that could be used in lieu of the requested studies and information. For example, while the actual lease for the CPI property with Stanford Real Estate is not public, CONSULTANT or CITY staff could contact Stanford Real Estate to obtain general lease terms that are not property specific. Similarly, contacting the Bay Area Air Quality Management District and local Certified Unified Program Agencies may yield information regarding similar businesses, involving plating operations in their manufacturing processes.

**Review Available City Background Information** (by CONSULTANT economist/facility assessment team). CONSULTANT professional staff in building assessment and life cycle costing will obtain and review CITY and County assessment and tax data, building permits, environmental regulatory permits, fire department

records, and other information to assist in understanding CPI's operations and infrastructure, the assessed improvement values, and dates and value of facility improvements.

**Facility Conditions Assessment** (by CONSULTANT facility assessment team). In order to evaluate the prior amortization studies and to appreciate the role that the plating shop performs in the overall product manufacturing, an assessment of the property's conditions and processes is proposed. This assessment can be performed based on an inventory of assets and improvements, their age, site plans, and other information gathered from CPI above. However, to better estimate the facility conditions, value, and life, a site visit is desirable. This visit will be an opportunity to ask questions and better understand CPI's sponsored amortization study and its assumptions. Recognizing the proprietary and confidential nature of the facilities and equipment and that a site visit may not be possible, CONSULTANT will seek to coordinate closely with CPI. Up to four members from the CONSULTANT team are expected to participate in this visit. In the event that access to CPI's facilities is not possible or secured within the timeframe to perform this study, CONSULTANT will review data, information, and drawings to be provided by CPI. The specific data, information, and/or drawings will be solicited through a Request for Information/Questionnaire to be prepared by CONSULTANT on behalf of the City and submitted to CPI.

**Render Opinion on the Prior Amortization Studies** (by CONSULTANT economist). Following the data collection and review steps, and concurrent with the facility assessment, CONSULTANT will discuss with the City the different methodologies for estimating useful life and remaining value used in the prior amortization studies, their utility, and their validity. CONSULTANT will identify which approach appears to be more appropriate given the background materials reviewed.

CONSULTANT will meet with City staff to discuss the opinion of the amortization studies and its implications for the economic life of the property and the length of CPI's lease with Stanford. Based on this discussion, City staff may request CONSULTANT to perform additional work, but this cannot be determined at this time. For purposes of this scope of work, following initial recommendations regarding the utility of the two prior amortization studies, one round of revisions is assumed. Following the revisions, CONSULTANT will draft the results, as described in the next task.

**Draft Report** (by CONSULTANT economist/facility assessment team). Based on staff's review of the preliminary findings, CONSULTANT will draft a report describing the data reviewed, the results of the comparative assessment, and the limitations/issues with each of the amortization analyses.

It is anticipated that this report will be revised and updated up to two times before presentation to the Planning and Transportation Commission and/or the CITY Council.

**Presentation to Planning and Transportation Commission and/or City Council** (by CONSULTANT economist/facility assessment team). Up to two presentations to the Commission and/or Council are assumed. The level of effort with respect to hours/staff is similar to that assumed for Task 3 earlier. For these meetings, two CONSULTANT representatives are expected to participate, one having involvement in the facility assessment and one having involvement in the appraisal model and results. Other meetings may be necessary and would be regarded as part of the Additional Services included in this scope of work.

**Final Report** (by CONSULTANT economist/facility assessment team). Based on comments received from the Commission and/or Council, CONSULTANT will prepare a final version of the report. The final report will be submitted to the CITY as a Word file and as a pdf.

**EXHIBIT "B"**  
**SCHEDULE OF PERFORMANCE**

CONSULTANT shall perform the Services so as to complete each milestone within the number of days/weeks specified below. The time to complete each milestone may be increased or decreased by mutual written agreement of the project managers for CONSULTANT and CITY so long as all work is completed within the term of the Agreement.

**MILESTONES****COMPLETION DATE****Task 1:**

Draft Peer Review Letter Report of CPI  
seismic structural engineering report of Building B

15 Working Days  
from NTP or receipt of  
report from CPI, whichever  
is later

Final Peer Review Letter Report

5 Working Days after  
conference call with the

CITY

to receive comments on the  
draft memo

**Task 2:**

Consultation on Zoning / Regulatory Approach

June 30, 2015

**Task 3:**

Public Review and Meetings

June 30, 2015

**AMENDMENT NO. 1, SCHEDULE OF PERFORMANCE****Task 1: Peer Review of CPI Seismic Evaluation**

Completed

**Task 2: Assistance with Regulatory Approach**

Revised memo on approach to defining businesses/  
land uses that will be subject to zoning approach

May

Draft text for zoning ordinance revision Within 6 weeks  
of Council direction to prepare zoning revisions

(assumed to be in mid-June)

Revisions to draft text

Ongoing with completion to be  
determined in consultation with  
CITY staff

**Task 3: Public Meetings**

As scheduled by CITY staff

**AMENDMENT NO. 2, SCHEDULE OF PERFORMANCE**

**Task 1: Peer Review of CPI Seismic Evaluation** Completed

**Task 2: Assistance with Regulatory Approach**

Memo on approach to defining businesses/ land uses that will be subject to zoning approach	Completed
Draft text for zoning ordinance revision	Within 4 weeks of Council direction to prepare zoning revisions
Revisions to draft text	Ongoing with completion to be determined in consultation with CITY staff

**Task 3: Public Meetings** As scheduled by CITY staff

**Task 4: Amortization Study (generally concurrent with Task 2)**

Data Collection and Review/Facility Assessment	Within 4 weeks of CPI site visit or receipt of completed RFI/Questionnaire from CPI
Preliminary Findings on Amortization Studies	Within 6 weeks of CPI site visit or receipt of completed RFI/Questionnaire from CPI
First Draft Report	Within 3 weeks of the Preliminary Findings
Subsequent Drafts	Dependent on availability of staff and nature of comments
Presentations	Dependent on Commission and/or Council meeting dates and agendas

## **EXHIBIT “C” COMPENSATION**

The CITY agrees to compensate the CONSULTANT for professional services performed in accordance with the terms and conditions of this Agreement, and as set forth in the budget schedule below. Compensation shall be calculated based on the hourly rate schedule attached as exhibit C-1 up to the not to exceed budget amount for each task set forth below.

The compensation to be paid to CONSULTANT under this Agreement for all services described in Exhibit “A” (“Basic Services”) and reimbursable expenses shall not exceed \$172,840.00. CONSULTANT agrees to complete all Basic Services, including reimbursable expenses, within this amount. In the event CITY authorizes any Additional Services, the maximum compensation shall not exceed \$215,600.00. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to the CITY.

CONSULTANT shall perform the tasks and categories of work as outlined and budgeted below. The CITY’s Project Manager may approve in writing the transfer of budget amounts between any of the tasks or categories listed below provided the total compensation for Basic Services, including reimbursable expenses, does not exceed \$172,840.00 and the total compensation for Additional Services does not exceed \$42,760.00.

<b>BUDGET SCHEDULE</b>	<b>NOT TO EXCEED AMOUNT</b>
Task 1 (Peer Review Letter Report)	\$8,150.00
Task 2 (Consultation on Zoning/Regulatory Approach)	\$9,660.00
Task 3 (Public Review and Meetings)	\$19,380.00
Task 4 (Amendment No. 1) (Assistance with Regulatory approach)	\$22,780.00
Task 5 (Amendment No. 1) Public Meetings	\$13,200.00
Task 6 Amortization Study Review (Amendment No. 2) (Including Facility Conditions Assessment)	\$93,440.00

Sub-total Basic Services	\$166,610.00
Reimbursable Expenses	\$6230.00
Total Basic Services and Reimbursable expenses	\$172,840.00
Additional Services (Not to Exceed)	\$42,760.00
<b>Maximum Total Compensation</b>	<b>\$215,600.00</b>

### **REIMBURSABLE EXPENSES**

The administrative, overhead, secretarial time or secretarial overtime, word processing, photocopying, in-house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. CITY shall reimburse CONSULTANT for the following reimbursable expenses at cost. Expenses for which CONSULTANT shall be reimbursed are:

A. Travel outside the San Francisco Bay area, including transportation and meals, will be reimbursed at actual cost subject to the City of Palo Alto's policy for reimbursement of travel and meal expenses for City of Palo Alto employees.

B. Long distance telephone service charges, cellular phone service charges, facsimile transmission and postage charges are reimbursable at actual cost.

All requests for payment of expenses shall be accompanied by appropriate backup information. Any expense anticipated to be more than \$2500.00 shall be approved in advance by the CITY's project manager.

### **ADDITIONAL SERVICES**

The CONSULTANT shall provide additional services only by advanced, written authorization from the CITY. The CONSULTANT, at the CITY's project manager's request, shall submit a detailed written proposal including a description of the scope of services, schedule, level of effort, and CONSULTANT's proposed maximum compensation, including reimbursable expense, for such services based on the rates set forth in Exhibit C-1. The additional services scope, schedule and maximum compensation shall be negotiated and agreed to in writing by the CITY's Project Manager and CONSULTANT prior to commencement of the services. Payment for additional services is subject to all requirements and restrictions in this Agreement

**EXHIBIT “C-1”****HOURLY RATE SCHEDULE**

Project Director	\$275
Sr. Air Quality Meteorologist	\$190
Safety and Health Services Manager	\$160
Sr. Planner	\$150
Planner II	\$130

**AMENDMENT NO. 1, HOURLY RATE SCHEDULE**

Project Director	\$275
Sr. Planner – Zoning	\$150
Sr. Air Quality/Health Risk Assessor	\$195
Environmental Planner	\$110

**AMENDMENT NO. 2, HOURLY RATE SCHEDULE**

Project Director	\$275
Sr. Planner – Zoning	\$150
Economics Director	\$205
Sr. Economist / Scientist	\$155-\$180
Economist	\$100-110
Facility/Cost Consulting Director	\$275
Facility Assessment Director / Sr. Process Engineer	\$200-\$235
Sr. Engineer – Facility Assessment	\$150-\$180
Engineer	\$125-\$150
Cost Estimator	\$125-\$150